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EAST CARROLL PARISH HOUSING AUTHORITY
AUDITED FINANCIAL REPORT
FOR THE YEAR ENDED June 30, 2021

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the state and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date May 12 2022

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VIG & TUJAGUE

a corporation of LIMITED LIABILITY

100 WEST 10TH

S. E. BOX 1000

PORTLAND, OREGON 97208

CHARLES FEE, JR., CPA
FRANK G. TUJAGUE, CPA

TELEPHONE
503-462-5666
FAX
503-462-6760

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
East Carroll Parish Housing Authority
Lake Providence, LA

We have audited the accompanying balance sheet of East Carroll Parish Housing Authority as of June 30, 2001, and the related statements of revenues, expenditures and changes in fund balance for the year then ended. These financial statements are the responsibility of the East Carroll Parish Housing Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Carroll Parish Housing Authority as of June 30, 2001, and the results of its operations and changes in fund balance for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated December 5, 2001, on our consideration of East Carroll Parish Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with government auditing standards and should be read in conjunction with these reports in considering the results of our audit.

Vig & Tujague

Vig & Tujague
December 5, 2001

EAST CARROLL PARISH HOUSING AUTHORITY
Combined Balance Sheet - All Fund Types, Revenue Groups, and
Discretely Presented Component Units
June 30, 2001

	<u>Governmental Fund Types</u>	
	<u>General</u>	<u>Capital</u>
	<u>Fund</u>	<u>Projects</u>
ASSETS AND OTHER DEBITS		
Assets:		
Cash and cash equivalents	\$ 21,124	\$ -
Investments	-	-
Receivables	1,140	-
Due from HFD	-	0,267
Due from component unit	14,200	-
Inventory	2,097	-
Other assets	18,132	-
land, building, and equipment	-	-
Total Assets	<u>\$ 46,554</u>	<u>\$ 0,267</u>

Account Groups General Fixed Assets	Primary Government TOTALS (Memorandum Only)	Component Unit (December 31, 2008) Governmental Funds	Reporting Entity TOTALS (Memorandum Only)
\$ -	\$ 21,124	\$ 1,729	\$ 22,853
-	-	355	355
-	1,243	243	1,306
-	8,267	-	8,267
-	14,200	-	14,200
-	2,057	-	2,057
-	10,132	38	10,162
<u>2,803,324</u>	<u>2,089,924</u>	<u>118,024</u>	<u>2,121,948</u>
<u>\$2,803,324</u>	<u>\$2,089,924</u>	<u>\$ 118,024</u>	<u>\$2,121,948</u>

See Notes to Financial Statements

EAST CARROLL PUBLIC HOUSING AUTHORITY
Combined Balance Sheet - All Fund Types, Account Groups, and
Discretely Presented Component Units
June 30, 2001

	<u>Governmental Fund Types</u>	
	<u>General</u>	<u>Capital</u>
	<u>Fund</u>	<u>Projects</u>
LIABILITIES, EQUITY, AND OTHER CREDITS		
Liabilities:		
Accounts, salaries, and other payables	\$ 9,293	\$ -
Due to primary government	-	8,267
Deposits due others	2,540	-
Compensated absences payable	<u>2,296</u>	<u>-</u>
Total Liabilities	<u>21,133</u>	<u>8,267</u>
Equity and Other Credit:		
Investment in general fixed assets	-	-
Fund Balances:		
Reserved	19,132	-
Unreserved:		
Undesignated	<u>12,321</u>	<u>-</u>
Total Equity and Other Credits	<u>27,223</u>	<u>-</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 48,356</u>	<u>\$ 8,267</u>

Account Groups General Fixed Assets	Primary Government Totals (Memorandum Only)	Component Units December 31, 2010 Governmental Funds	Reporting Entity Totals (Memorandum Only)
\$ -	\$ 9,297	\$ 100	\$ 9,991
-	9,267	5,803	14,280
-	2,540	-	2,540
-	<u>9,296</u>	<u>-</u>	<u>9,286</u>
<u>-</u>	<u>23,400</u>	<u>6,833</u>	<u>36,923</u>
2,003,024	2,003,024	110,824	2,121,048
-	10,132	-	10,132
-	<u>17,391</u>	<u>14,215</u>	<u>13,133</u>
<u>2,003,024</u>	<u>2,020,447</u>	<u>125,039</u>	<u>2,144,313</u>
<u>\$2,003,024</u>	<u>\$2,029,947</u>	<u>\$ 120,381</u>	<u>\$ 2,160,328</u>

See Notes to Financial Statements

DAVE CAMPBELL FARMER HOUSING AUTHORITY
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance
Governmental and Discretely Presented Component Units
For The Year Ended June 30, 2001

	Governmental Fund Types	Primary Governmental	Component	Reporting	
	General Fund	Capital Projects Fund	Total Revenues	Unit Year End December 31, 2000	Entity Totals Revenues
REVENUES					
Interest Income	\$ 51,126	\$ -	\$ 51,126	\$ 14,518	\$ 65,644
Rental PMA Grant	27,373	8,887	36,260	-	45,537
Miscellaneous Income	1,421	-	1,421	18	1,439
Other Revenues	388	-	388	-	388
Total revenues	<u>\$ 80,308</u>	<u>\$ 8,887</u>	<u>\$ 89,195</u>	<u>\$ 14,536</u>	<u>\$ 103,731</u>
EXPENDITURES					
General Government:					
Administrative	\$ 54,543	\$ -	\$ 54,543	\$ 7,797	\$ 62,340
Utilities	5,164	-	5,164	298	5,462
Maintenance	12,187	-	12,187	21,718	33,905
General	22,790	-	22,790	884	23,674
Capital Expenditures	-	8,247	8,247	-	8,247
Total expenditures	<u>\$ 94,584</u>	<u>\$ 8,247</u>	<u>\$ 102,831</u>	<u>\$ 29,697</u>	<u>\$ 132,528</u>
EXCESS (DEFICIENCY)					
OF REVENUES					
OVER EXPENDITURES	<u>\$14,024</u>	<u>-</u>	<u>\$14,024</u>	<u>\$15,119</u>	<u>\$29,143</u>
NET ASSETS MANAGEMENT	<u>\$12,849</u>	<u>-</u>	<u>\$12,849</u>	<u>-</u>	<u>\$12,849</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>\$4,164</u>	<u>-</u>	<u>\$4,164</u>	<u>\$ 315</u>	<u>\$4,479</u>
FUND BALANCE AT BEGINNING					
OF YEAR ADJUSTED	<u>\$4,383</u>	<u>-</u>	<u>\$4,383</u>	<u>\$ 315</u>	<u>\$4,698</u>
FUND BALANCE					
AT END OF YEAR	\$ 18,413	\$ -	\$ 18,413	\$ 14,430	\$ 32,843

See Notes to Financial Statements

EAST CARROLL PARISH HOUSING AUTHORITY
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Governmental Funds - General and Capital Projects
For the Year Ended June 30, 2001

	<u>GENERAL FUND</u>			<u>CAPITAL PROJECTS FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES						
Taxes, Rental	\$ 34,870	\$ 33,375	\$ 11,485	\$ -	\$ -	\$ -
IRS FRA Grant	37,272	32,870	-	-	1,262	36,261
Interest Income	1,500	1,421	79	-	-	-
Other Revenues	8,818	380	18,267	-	-	-
Total Revenues	<u>82,460</u>	<u>68,046</u>	<u>14,356</u>	<u>\$ -</u>	<u>\$ 1,262</u>	<u>\$ 36,261</u>
EXPENDITURES						
Administrative	\$ 35,880	\$ 34,862	\$ 1,018	\$ -	\$ -	\$ -
Utilities	5,440	5,358	82	-	-	-
Maintenance	36,770	32,387	4,383	-	-	-
General	24,110	23,900	210	-	-	-
Capital Expenditures	-	-	-	-	1,262	36,261
Total expenditures	<u>102,200</u>	<u>96,507</u>	<u>5,693</u>	<u>-</u>	<u>1,262</u>	<u>36,261</u>
EXCESS (Deficiency) of REVENUES OVER EXPENDITURES	<u>(19,740)</u>	<u>(28,461)</u>	<u>(11,350)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FROM FUND ADJUSTMENT	<u>-</u>	<u>(12,840)</u>	<u>(12,840)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>11,528</u>	<u>64,160</u>	<u>52,632</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AS RESTRICTED OF YEAR ENDING	<u>11,528</u>	<u>51,320</u>	<u>38,712</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 11,528</u>	<u>\$ 51,320</u>	<u>\$ 38,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements

HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2001

INTRODUCTION

The Housing Authority of the Parish of East Carroll was created by Louisiana Revised Statute (RSA-R.S.) 40:391 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of East Carroll Parish.

The Authority is administered by a five-member board appointed by the Mayor. Members of the board serve three-year terms.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character. The Housing Authority is economically dependent upon HUD subsidies.

At June 30, 2001, the authority managed 40 public housing units.

In addition, the authority is currently administering modernization programs.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Housing Authority of the Parish of East Carroll for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and

NOTES TO FINANCIAL STATEMENTS (continued)

- a. The ability of the Housing Authority to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Housing Authority.
2. Organization for which the Housing Authority does not appoint a voting majority, but are fiscally dependent on the Housing Authority.
 3. Organization for which the reporting entity financial statements would be misleading if facts of the organization is not included because of the nature or significance of the relationship.

As required by Accounting principles generally accepted in the United States of America these financial statements present the Housing Authority of the Parish of East Carroll and its component units. The component unit included in the accompanying financial statement is discretely presented.

Discretely Presented Component Units

Component units that are legally separate from the Housing Authority, but financially accountable to the Housing Authority, or whose relationship with the Housing Authority are such that exclusion would cause the Housing Authority financial statements to be misleading or incomplete are discretely presented. The Component Units column of the combined financial statements include the financial data of this discretely presented component unit. They are reported in a separate column to emphasize that they are legally separate from the Housing Authority. The following component unit is discretely presented in the accompanying financial statements:

The East Carroll Rural Housing, Inc. is a non profit organization consisting of seven rental units. These units are funded through HUD's Section 8 Program. The Board of Directors of this organization is the same board that sits on the Housing Authority of the Parish of East Carroll, thereby, enabling the Housing Authority the ability to impose its will on the organization. The financial statements for East Carroll Rural Housing, Inc. are as of and for the ended December 31, 2020.

Fund Accounting

The authority uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

NOTES TO FINANCIAL STATEMENTS (continued)

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the authority are classified into one category: governmental. This category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds account for all or most of the authority's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund - the general operating fund of the authority accounts for all financial resources, except those required to be accounted for in other funds. The General Fund includes transactions of the low rent housing assistance programs.
2. Capital projects fund - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. Capital projects fund contains transactions relating to active modernization and development programs.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Operating subsidies and the annual contributions received from HUD are recorded when available and measurable. Federal restricted grants are recorded when reimbursable expenditures have been incurred.

Rental income and other income are recorded in the month earned. No allowance for doubtful accounts is usually provided due to security

NOTES TO FINANCIAL STATEMENTS (continued)

deposits. However at June 30, 2001 there was an allowance in the amount of \$122.

Interest earnings are recorded when time deposits mature and interest is credited to the authority's deposits.

Expenditures

Expenditures are recorded when the related fund liability is incurred. This includes expenditures for salaries and capital outlay in the general fund.

The authority's liability for compensated absences is accounted for in the general fund and is recorded annually. At June 30, 2001, the liability for accumulated compensated absences was \$8,216.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Budgets

The authority uses the following budget practices:

1. The Executive Director prepares a proposed budget and submits the same to the Board Commissioners no later than thirty days prior to the beginning of each fiscal year.
2. Following discussion and acceptance of the budget by the Board, it is sent to HUD for approval.
3. Upon approval by HUD, the budget is formally adopted.
4. Any budgetary amendments require the approval of the Executive Director and Board of Commissioners.
5. Any budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the General and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
7. The budget comparison presented in the financial statements includes the original budget and all amendments. Cashsource accounting is not used by the Housing Authority.

NOTES TO FINANCIAL STATEMENTS (continued)

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts and certificates of deposit purchased with original maturities of 90 days or less. Under state law, the authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Prepaid Items / Restricted Fund Balance

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 2001 are recorded as prepaid insurance. The reservation to fund balances reflect these transactions.

Fixed Assets

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No construction period interest costs have been incurred and capitalized for the fiscal year ended June 30, 2001. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

Compensated Absences

The Authority follows Civil Service guidelines pertaining to the accumulation of vacation and sick leave. This leave may be accumulated and carried over between fiscal years, with a maximum of 300 hours of payment of vacation pay upon termination or retirement.

The cost of current leave privileges, computed in accordance with GASB Codification Section 089, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general fund.

NOTES TO FINANCIAL STATEMENTS (continued)

Fund Equity

Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Total columns on Combined Statements

The total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - FUND DEFICITS

There were no fund balance deficits at June 30, 2001.

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 2001, the reporting entity had cash and cash equivalents as follows:

Demand deposits	<u>\$ 22,013</u>
-----------------	------------------

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

NOTES TO FINANCIAL STATEMENTS (continued)

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2001, the authority has \$22,868 in deposits. These deposits are secured from risk by \$100,000 of federal deposit insurance for interest bearing accounts and \$100,000 for non interest bearing accounts.

NOTE 4 - RECEIVABLES

The receivables of \$1,344 at June 30, 2001, are as follows:

Class of Receivable	General Fund	Component Unit	Total
Local sources:			
Toronto	\$ 1,210	\$ 244	\$ 1,514
Allowance for bad debts	(127)	(11)	(138)
Total	<u>\$ 1,342</u>	<u>\$ 244</u>	<u>\$ 1,344</u>

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

	Balance June 30, 2000	Additions	Deletions	Balance June 30, 2001
Land	\$ 101,657	\$ -	\$ -	\$ 101,657
Buildings	1,928,477	-	44,547	1,886,299
Equipment	149,794	-	118,924	30,870
Modernization Costs-in- Progress -CIAP	-	8,267	-	8,267
TOTAL	<u>\$2,179,928</u>	<u>\$ 8,267</u>	<u>\$163,471</u>	<u>\$2,124,724</u>

NOTE 6 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$0,397 at June 30, 2001, are as follows:

General Fund	Amount
General Fund - Accounts	\$0,397
Component Unit	<u>280</u>
Total	<u>\$0,397</u>

NOTE 7 - INTERFUND ASSETS/LIABILITIES

Interfund receivable/payable:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects	\$ 8,267
General Fund	Component Unit	<u>5,331</u>
		<u>\$14,228</u>

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 9 - LITIGATION AND CLAIMS

At June 30, 2001, the authority was involved in a lawsuit involving a 1970 labor dispute with a former employee. This case was settled by December 5, 2001 for \$0,000.

NOTE 9 - COMPENSATED ABSENCES

At June 30, 2001, employees of the authority have accumulated and vested \$8,296 of employee leave benefits, which was computed in accordance with GASB Codification Section 640.

NOTE 10 - FEDERAL FUNDS

The Housing Authority is currently administering a Capital Funding Modernization Grant Program.

1. This grant involved total approved funds in the amount of \$86,361. These funds may be used for capital or operating expenditures. At June 30, 2001 the FEA expended \$0,367.

NOTE 11 - CONTINGUATIONS OF RISK

The Housing Authority is economically dependent upon HUD subsidies/grants.

NOTE 12 - ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 13 - PRIOR ADJUSTMENTS

The Housing Authority made the following prior period adjustments:

1. Recorded prior audit fee not accrued	\$ 4,800
2. Recorded compensation from labor dispute	4,800
3. Reclaims compensated absences from general long term debt account group.	2,217
4. Adjust beginning balances accurate	_____ 643
Total	<u>\$12,460</u>

VINE & TUNNICLIFFE

a corporation of (separate public) accountants

200 WEST WINE

S. O. BOX 1000

CHICAGO, ILLINOIS 60601

CHARLES F. VINE, JR., CPA
FRANK G. TUNNICLIFFE, CPA

TELEPHONE:
(312) 462-4444
(312)
(312) 462-4443

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Commissioners
East Carroll Parish Housing Authority
Lake Providence, Louisiana

We have audited the financial statements of East Carroll Parish Housing Authority as of and for the year ended June 30, 2001 and have issued our report thereon dated December 5, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether East Carroll Parish Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as Item #2001-2 through #2001-5.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered East Carroll Parish Housing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect East Carroll Parish Housing Authority's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as Item #2001-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described above are material weaknesses.

This report is intended for the information of the management. However, this report is a matter of public record and its distribution is not limited.

Vign & Tadjeran
Vign & Tadjeran
December 5, 2001

EAST CARROLL PARISH HOUSING AUTHORITY
Schedule of Findings and Questioned Costs
Year Ended June 30, 2001

We have audited the financial statements of East Carroll Parish Housing Authority as of and for the year ended June 30, 2001, and have issued our report thereon dated December 5, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2001, resulted in an unqualified opinion.

Section I. Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ☒ Yes ☐ No Reportable Conditions ☒ Yes ☐ No

Compliance

Compliance Material to Financial Statements ☐ Yes ☒ No

b. Federal Awards

Internal Control

Material Weaknesses ☒ Yes ☐ No Reportable Conditions ☒ Yes ☐ No

No Federal Programs were considered major programs using a threshold of \$100,000.

Section II. Financial Statement Findings

2001-1 - Segregation of Duties

In reviewing the internal control structure, we noted inadequate segregation of duties existed in all areas of the financial cycle.

Inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions. Due to the lack of resources, the housing authority is unable to implement a segregated system of internal control.

Management is aware of and has evaluated this inadequacy and concluded that the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. We are in agreement with the housing authority that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment.

EAST CARROLL PARISH HOUSING AUTHORITY
Schedule of Findings and Questioned Costs
Year Ended June 30, 2001

12201-2 Budgeting

The Housing Authority exceeded certain budget line items by greater than 5%.

The Housing Authority did not meet the budget before the end of the year.

We recommend that greater care will be taken to ensure that this is not a recurring problem.

Management agrees with this recommendation.

12201-3 Controls Over Disbursements

The FHA should maintain proper controls over disbursements. Payments to vendors were made from statements instead of invoices. During our review of disbursements we noted two overpayments for consulting and insurance in the amounts of \$300 and \$2,884, respectively. These amounts were subsequently returned to the FHA.

We recommend that the FHA pay vendors from invoices and take precautions to ensure vendors are not overpaid.

Management agrees with this recommendation.

12201-4 Real Estate Assessment Center Annual Filing

All FHA's are required to electronically submit their year end financial data to HUD, RMHC in accordance with the submission requirements posted in the Federal Register (FR-4310-P-01). The financial information to be submitted to HUD annually must be submitted no later than 60 days after the end of the fiscal year of the reporting period.

The East Carroll Parish Housing Authority submitted its annual report to HUD RMHC after the 60 day requirement. This was caused by not submitting information to the fee account in time for meeting filing requirements.

We recommend that the FHA gather appropriate information in a more timely manner to facilitate the annual report filing.

Management agrees with this recommendation.

12201-5 RMHC Filings (RMHC)

The FHA submits annually to the HUD RMHC Real Estate Assessment Center (RMHC) information used to evaluate and grade the FHA on various performance areas. The management assessment subpart (MARS) requires FHA's to submit accurate information.

One indicator of management performance evaluates how well the FHA controls its active work orders as well as the timeliness of completion. An accurate work order log is required which reports the time and date each work order is received and completed. The FHA submitted the following data under sub-indicator 3: work orders:

EAST CARROLL PARISH HOUSING AUTHORITY
Schedule of Findings and Questioned Costs
Year Ended June 30, 2001

N10600	Total number of calendar days it took to Complete non emergency work orders	284
N10800	Average completion days	1.11

Our calculations did not agree with the data submitted. The total number of calendar days it took to complete non emergency work orders were 283 and the average completion days were 1.11.

This error allowed the PAR to obtain a higher evaluation on work orders under the management assessment program and was caused by management being unaware of the method of calculation of days to complete work orders.

We recommend training the PAR's staff to prepare an accurate MMS submission.

Management agrees with this recommendation.

EAST CARROLL PARISH HOUSING AUTHORITY
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
JUNE 30, 2001

2000-1 TENANT ACCOUNTING

Condition: Numerous errors and omissions were found on the monthly rental registers.

Recommendation: PHA should review tenant files and balance all rental registers.

Status: This finding was cleared at June 30, 2001.

2000-2 UNDOCUMENTED DISBURSEMENTS

Condition: Supporting documentation for disbursements was inadequate.

Recommendation: All disbursements should be properly documented.

Status: This finding was cleared at June 30, 2001.

2000-3 FIXED ASSET RECORDS

Condition: The PHA does not have adequate records to support its fixed assets as reported in the general ledger. The PHA did conduct an inventory of equipment but the inventory has not been reconciled to the general ledger.

Recommendation: The PHA should conduct an annual inventory and reconcile the results to the general ledger.

Status: The finding was cleared at June 30, 2001.

HOUSING AUTHORITY

of the parish of
EAST CARROLL

PO BOX 101
LAKE PROVIDENCE, LOUISIANA 70146

December 5, 2001

VIGE & TULLAGHE, CPA'S
P. O. BOX 1086
BUNICE, LA 70535

RE: Management Response

The following are our responses to your recommendations we received in the Housing Authority's Financial Statements as of June 30, 2001.

2001-1 Segregation of Duties

We are aware of and have evaluated this inadequacy and concluded that the related cost vs benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation of duties. However, we will try to segregate duties as much as possible with the existing staff.

2001-2 Budgeting

In the future we will take greater care in adjusting our financial statements at year end in order to properly amend the budget to not vary from actual amounts by greater than 5%.

2001-3 Disbursements

We will take greater care in maintaining proper controls over disbursements. The new executive director of the LAH will insure that vendors are paid from invoices in order to avoid vendor overpayments.

2001-4 Real Estate Assessment Center Annual Filing

The new executive director of the PHA will oversee and facilitate appropriate information in a timely manner to insure proper filing of the annual report.

2001-5 REAC Filings (HASS)

In the future, the preparation of the HASS submission will be outsourced as required. This will be managed by the new executive director of the PHA and will be prepared by properly trained PHA staff.


Christopher Van Housen Jones


Executive Director-Veronica Willis